Cultural Transformation at ThedaCare with Lean

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THEDACARE™

Is a comprehensive, community-owned healthcare system focused on achieving measurable, better value for our customers. Our mission is to improve the health of our communities.

Appleton Medical Center
160-Bed Acute Care Medical Center

Theda Clark Medical Center
260-Bed Acute Care Medical Center

New London Family Medical Center
25-Bed Acute Care Medical Center

Riverside Medical Center
25-Bed Acute Care Medical Center

ThedaCare Physicians
Employing Over 125 Physicians At 22 Locations

Orthopedics Plus
The New Standard for Quick, High Quality Orthopedic Services In The Fox Cities

ThedaCare at Home
Home Health, Hospice, DME, Respiratory Therapy, Infusion, Pharmacy Services

Shawano Medical Center
25-Bed Acute Care Medical Center

Ingenuity First
Offers Innovative
Solutions to Employers For Health Care Costs

Fox Cities Community Clinic
A Free Clinic Jointly Owned With St. Elizabeth Hospital

The Heritage/ Peabody Manor
Continuing Care Campus for Older Adults

ThedaCare Behavioral Health
Inpt and Outpt Mental Health, Substance Abuse Services

Gold Cross Ambulance Service
Jointly Owned With Affinity Health Systems

ThedaCare at Work
Occupational and Employee Health Services, Employee Assistance Program

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Vision

a picture of the ideal state to be achieved

"To always set and deliver the highest standard of health care performance in measurable and visible ways so our customers are confident they are making the right decision in choosing us."

Strategy

***The sum of all the things we do differently from our competitors that create a unique value in the eyes of the customer*.**

We will become a vibrant, growing health care destination by providing a measurably better value to our customers.

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ThedaCare's Journey

1. Identified a need.
2. Found a coach.
3. Began experimenting with Rapid Improvement Events – lots of opportunity.
4. Strategy Deployment.
5. Focus on Value Streams.
6. System-wide teaching.
7. Developed a management system.
8. More emphasis put on people development.
9. Organizing leadership by business line/ value streams.

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Is There a Sense of Urgency in Healthcare? How about in your field?

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What is a Rapid Improvement Event?

- A two to five-day focused improvement activity.
- It has aggressive, measurable objectives.
- Emphasis on the elimination of unnecessary non-value-adding activities.
- Rapid Implementation (during the event).

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Team Daily Guide

Monday

- Gain an understanding of Background/Current Conditions.
- Go to *Gemba* watch the work!
- Brainstorm an Ideal State.

Tuesday

- Create a future state.
- Problem solve.
- Experiment - trial and testing.

Wednesday

- Experiment - trial and testing.
- Create standard work.

Thursday

- Finalize standard work.
- Set up visual management for metrics.

Friday

- Share your team results.
- Celebrate your success.

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Rapid Improvement Events

- Followed and taught PDSA cycle.
- Implement changes on the next Monday.
- Got staff from many areas involved.
- Learned by doing – this was hard!
- Addressed a lot of “low-hanging fruit.”
- Much emphasis on financial goals.

Rapid Improvement Events

Lessons Learned:

- Not enough experimenting during the week – initially spent a lot of time with P, and a little D, and almost no S & A.
- Follow-up is critical post event – learning the hard way.
- Communication with stakeholders is essential.
- Leadership is essential.

My Story

- Staff therapist
- Manager

- Managed by results.
- Managed from my office.
- Problem-solver *(i.e. Staff brought problems to me & I tried to solve them.)*

ThedaCare Adopts Lean Methodology

- Leading Rapid Improvement Events (16 over 4 years).
- "Drive-by" events.
- Believing that the work was done when the event was done.
- Implementing PDSA around process without understanding the need to lead differently.

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"We have been trying to add Toyota Production System practices and principles on top of our existing management thinking and practice without adjusting that thinking and practice."

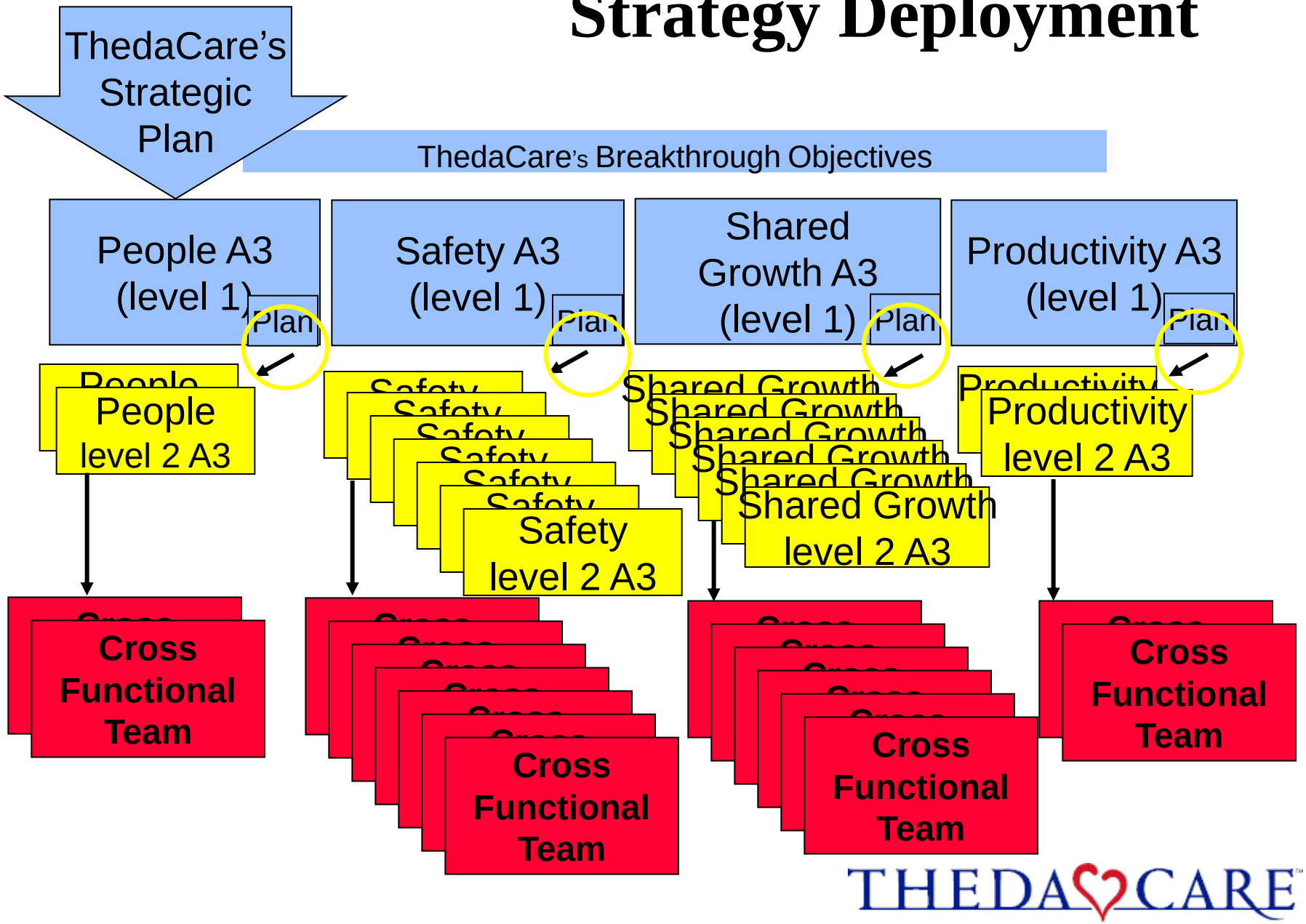
--Mike Rother from Toyota Kata

Strategy Deployment

- **A management system that aligns – both vertically and horizontally – an organization's functions and activities with its strategic objectives.**
- **A specific plan is developed with precise goals, actions, timelines, responsibilities, and measures.**
- **Strategy Deployment is a PDSA process.**

"Measurably Better Value"

Strategy Deployment



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Safety/Quality 50%

- Preventable Mortality
- Medication Errors

People

- OSHA Recordable Injuries
- HAT Scores
- Employee Engagement Index

Financial Stewardship

- Operating Margin
- Productivity

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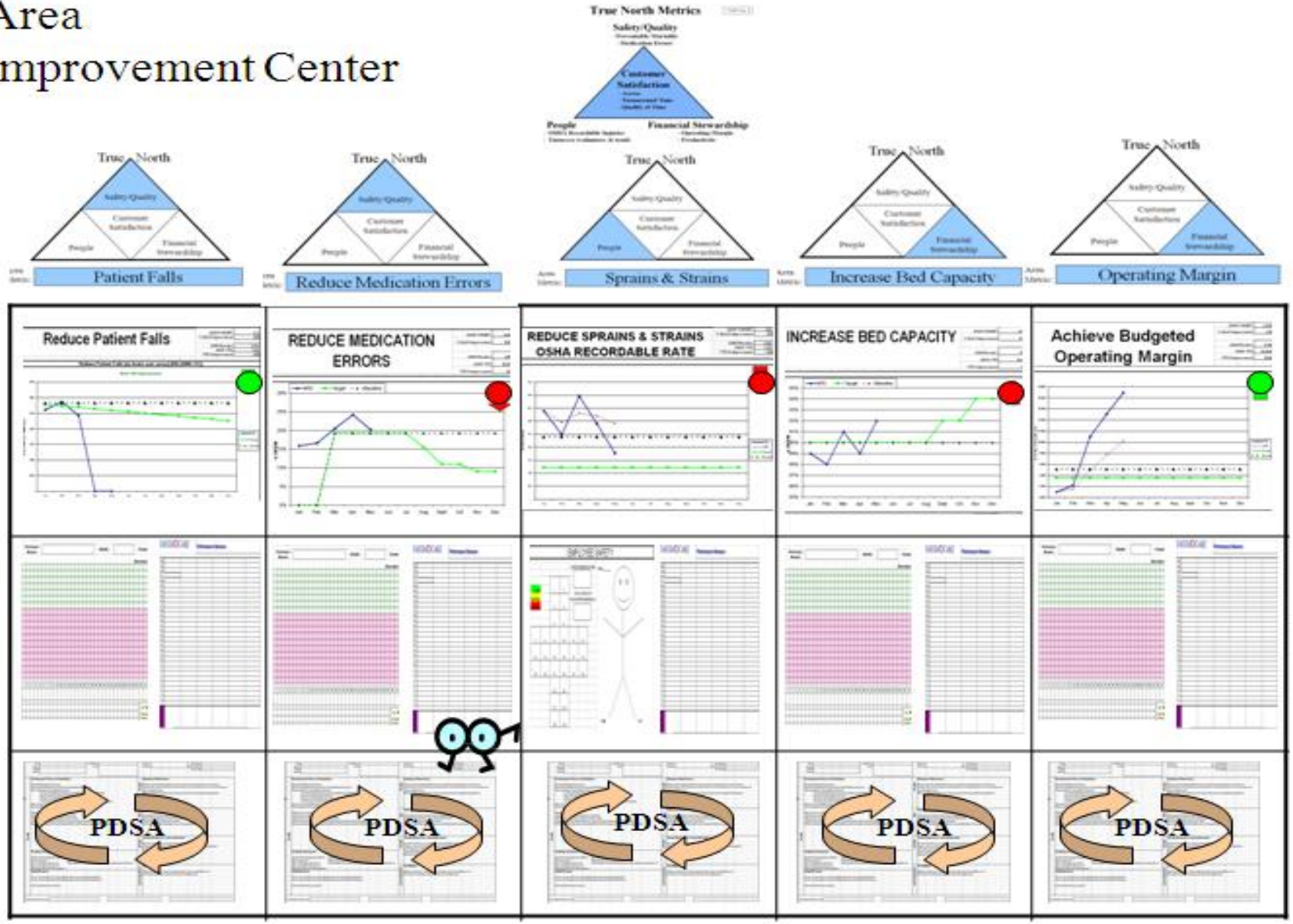
Area Improvement Center



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System-wide teaching –
day long session for 5,000 employees

- Why you chose healthcare.
- Compelling case for change – what's happening in our industry.
- Changing forces in healthcare.
- Why do we need the ThedaCare Improvement System?
- Change/Barriers to change.

- Seeing Waste.
- 5S.
- PDSA.
- Assignment.

Value Streams

- Value Stream Analysis.
- 12-18 months of RIEs, Projects, and JDI.
- Activity once a month: 7-week cycle.

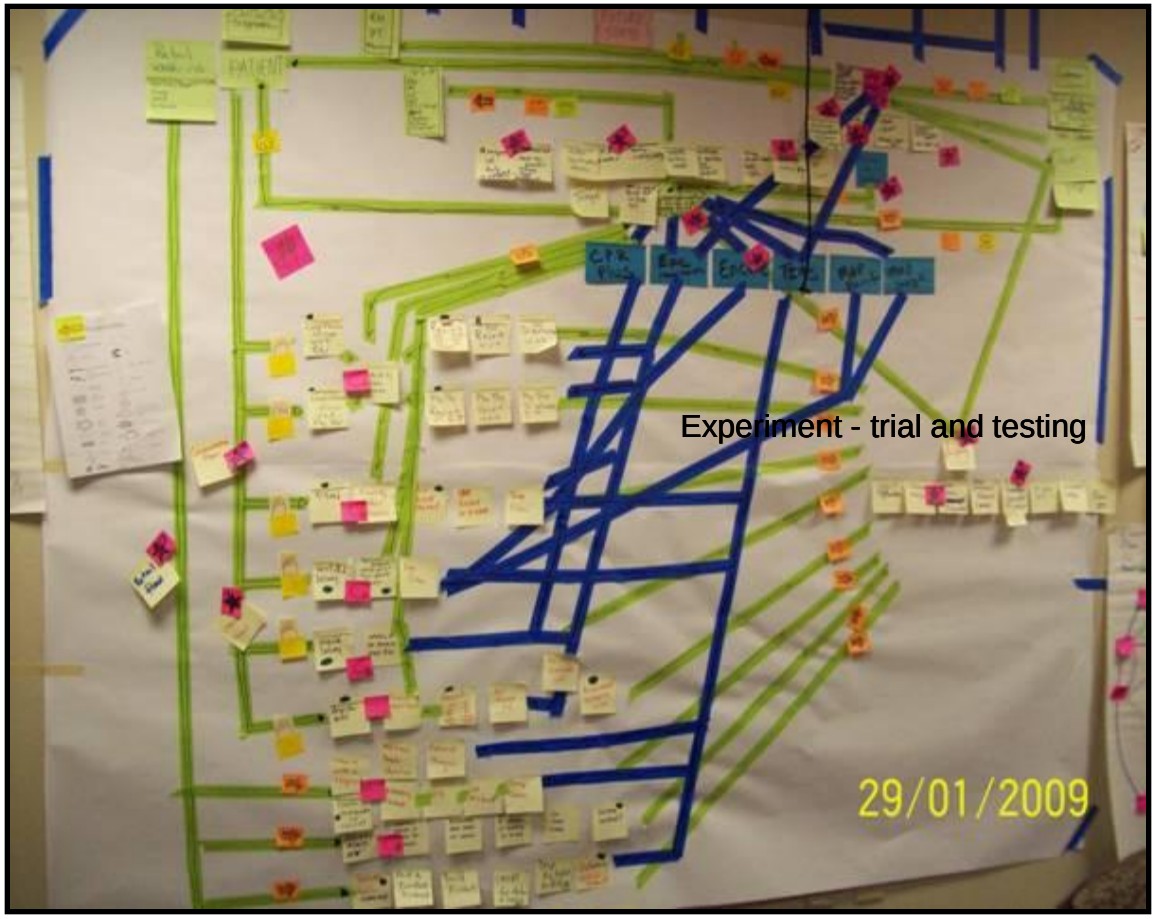
Lessons Learned:

- Pace of work.
- Ability to sustain.
- Focus.

TCAH VSM Initial State

- Excessive calls to patient.
- 8 intake locations.
- 12 information flow systems.
- Multiple monthly bills.
- Various scheduling systems.
- Billing function as a catch all at the end of process.

Future State Map



- **1 Monthly Bill ! !**
- **Single contact for patient / Family.**
- One phone number for clinicians or referral sources to call into.
- 6 Information systems.
- Integrated scheduling system.
- 1 Intake location.

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Continuous Daily Improvement

- Staff Involvement in Problem-Solving.
- Rigor of daily “Gemba”.
- Opportunity Tracking Centers.

Lessons Learned:

- Gemba became a tracking board.
- Focus to drive results.
- Competing Priorities.
- Leadership Discipline.

Opportunity Tracking Center

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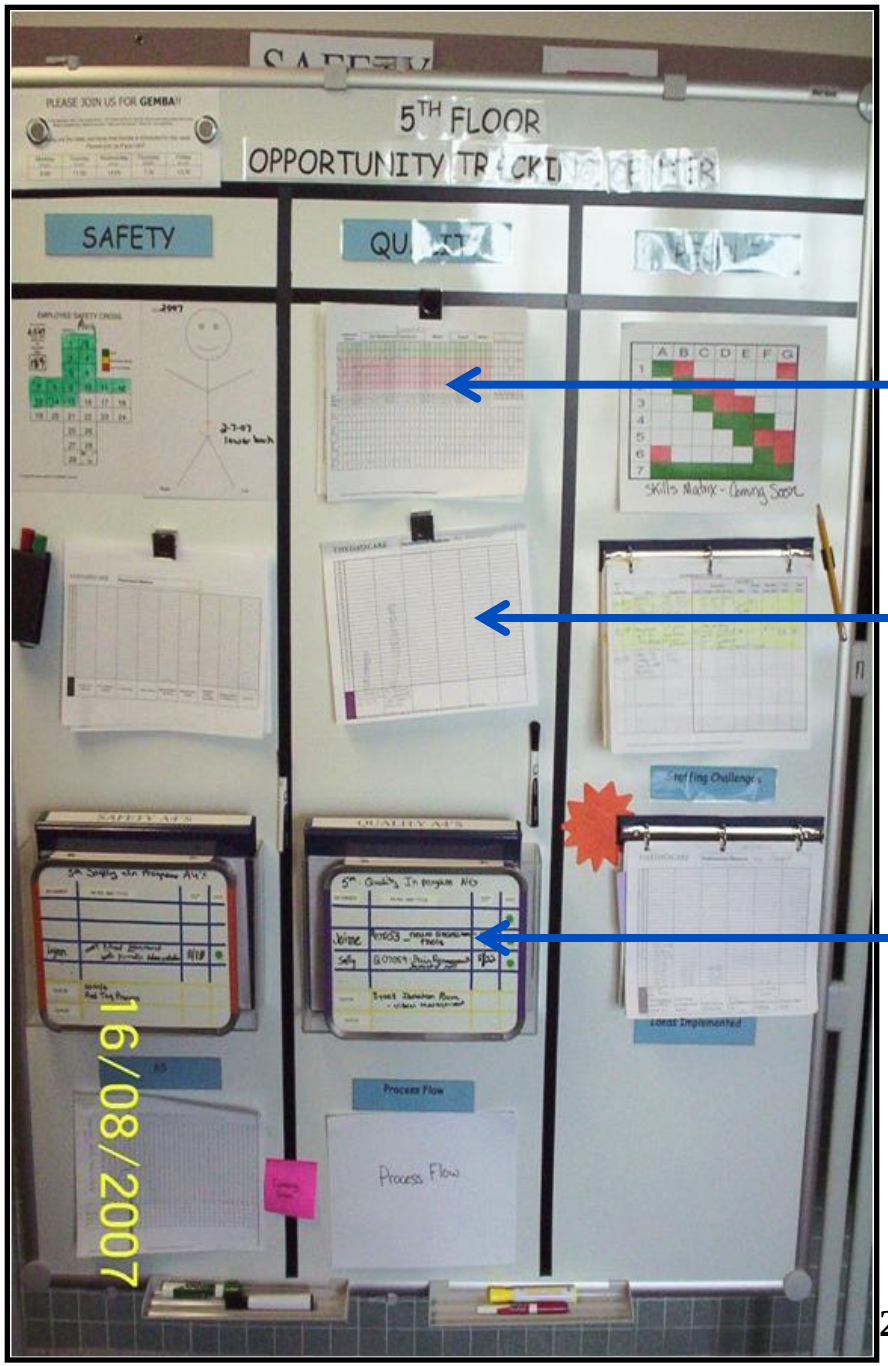

Flow of the "Lanes"

Performance (tracking sheet)

Problems (pareto sheet)

Solutions (A4s/Actions related to lane)

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Business Performance System

- Daily Stat Sheets.
- Leader Standard Work.
- Daily Performance Huddles with Team.
- Monthly Scorecard Reviews.
- PDSA thinking.
- Process Observation Calendaring.

Stat Sheet/ Scorecard

3SW Weekly Stat Sheet

		Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Total	Notes:
	Date									
Safety	Know or anticipated safety risks for patients/staff									Monday
Safety	Near misses									
Safety	Falls/# High Risk									
Safety	Employee Injuries									
Safety	Medication (delays, defects)									
Safety	Incident reports									Tuesday
Quality	Anything you would "flag" as a quality issue (potential issue?)									
Quality	Deviations from Key elements of SW									
Quality	Bundle compliance (CHF/Pneumonia)									

Watch Indicators: The Performance we are watching and may only respond to if the metric is changed to a DRIVER.

Measures	Watch Indicator	Owner	Target Range	Baseline		Jan	Feb	Mar	Apr	May
Safety	Reduce the number of patient falls / 1000 days by 20 % compared to 2008	AF	2.3	2.88	Actual	0	3.51	0	0	0
					YTD	0.00	1.68	1.08	0.79	0.62
Quality	Increase the accuracy of medication administration documentation so that the recorded times are withing 60 mins of the actual given time	AF	95%	91.70%	Actual	93.01%	93.12%	94.97%	98.00%	96.88%
					YTD	93.01%	93.06%	93.74%	94.80%	95.07%
Safety	Reduce Sprains & Strains by 50 % (Measure: # sprains/strains/ 2080 hours)	AF	0.00	10 / year	Actual	1.0	0.0	0.0	0.0	0.0
					YTD	1.0	1.0	1.0	1.0	1.0

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Leader Standard Work

TC OB Day Lead Standard Work							
Last Updated	4/20/09	Owner	Jen Fredriksen	Performed By	0600 OB clinical Lead	Work In Process	1
		Revised By	Jen Fredriksen	Rev. Number	5		
Takt Time	12 hours	Trigger	New Shift begins	Done	Lead report to next shift		

Leader Standard Work

- Start new Standard Work sheet for each shift
- Document item completed in ☐ column
- Record comments for not completing during scheduled time and other defects noted
- Complete daily tracking and pareto
- Store in Lead Standard Work binder in Lead office for future reference

Time	Major Steps	Details	✔ ☐	Comments
0600-0630	Lead Report	-See Lead to Lead Report SW		
0630-0700	Stat sheet	-Discuss with manager		
0700-0730	Rounding Gemba	-1:1 with each staff member -Determine support if needed -See rounding standard work		
0730-0800	Prep for huddle	-Review production board for chart audits, pt or staff safety issues, open A4's -Review communication that needs to be passed on in huddle		
0800-0815	Assess 10:00 staffing	-Update acuities(see Staffing based on acuity SW). . -Determine need to call off/call in staff. -Determine room/staffing for next 3 admissions. -Audit acuities with supervisor.		
0815-0830	Team huddle	-See Team Huddle SW		

"Culture is an idea arising from experience. That is, our idea of the culture of a place or organization is a result of what we experience there. In this way, a company's culture is a result of its management system…culture is critical, and to change it, you have to change your management system."

Creating a Lean Culture by David Mann

Senior Leadership Support

Many struggles along the way.

Improvement methods have evolved over time.

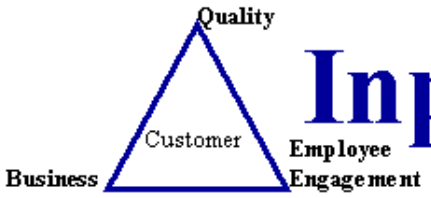
Throughout it all, unyielding focus from Senior Leadership that doing lean is non-negotiable and lean is our strategy.

Respect for People

- No Layoff Policy.
- Changes in Hiring.
- Reassignment Process.
- Learning to See.
- Candor with Respect.
- Learning Environment.
- People A3.
  - TIS Value Stream.
  - Human Development Value Stream.
  - Wellness Value Stream.

Problems are Opportunities – Failures are okay!!

Courage Honesty



Inpatient Behavioral Health

Goal Met
Goal Not Met

	Measure	Initial	Target	Projected 11-14-08	Achieved 1-29-09
Quality	Handoffs	42	21	31	34
Quality	Patient Satisfaction –Overall {Rated very good or excellent}	80%	95%	TBD	90%
Quality	Waste	74	37	39	39
Business	Total Cycle Time {Follow-up patients}	11-30 min	5- 15 min	6- 19 min	7-17 min
Employee Engagement	Staff Satisfaction	2.5	4	4.8	4.8
Employee Engagement	1st RIE – 2nd or more RIEs -	2 7			

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Real Results

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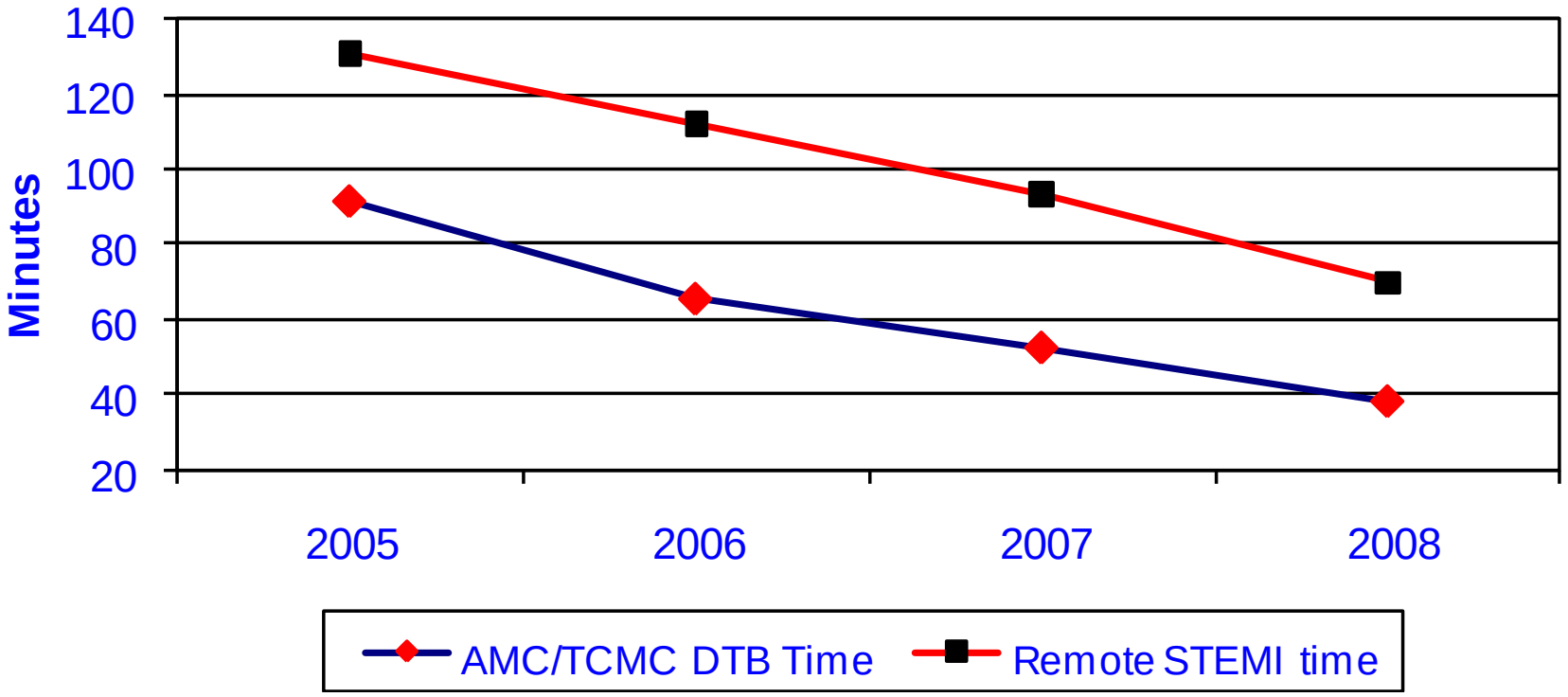
Rapid Heart Attack Care (Code STEMI)



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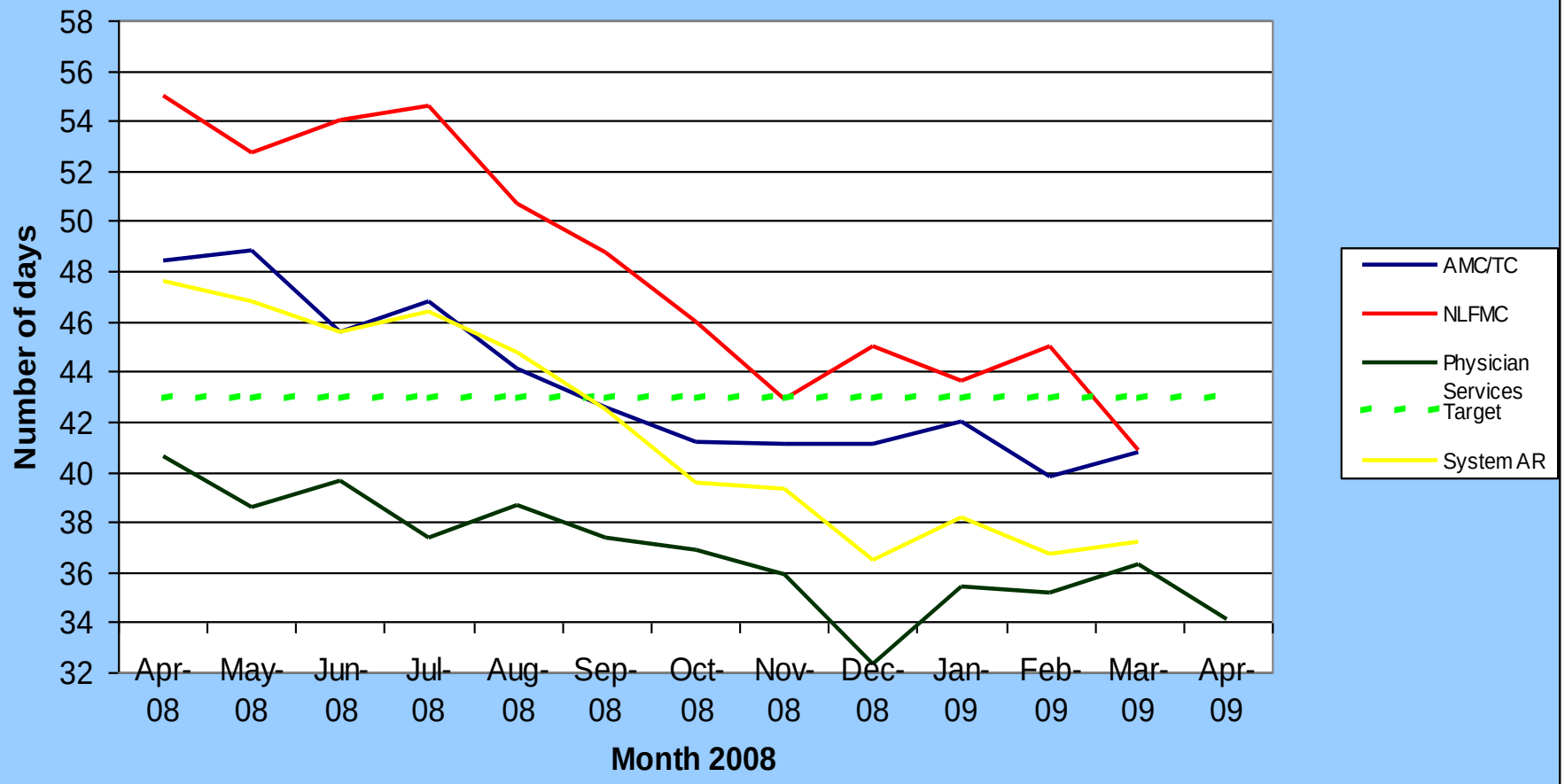
NET A/R Days



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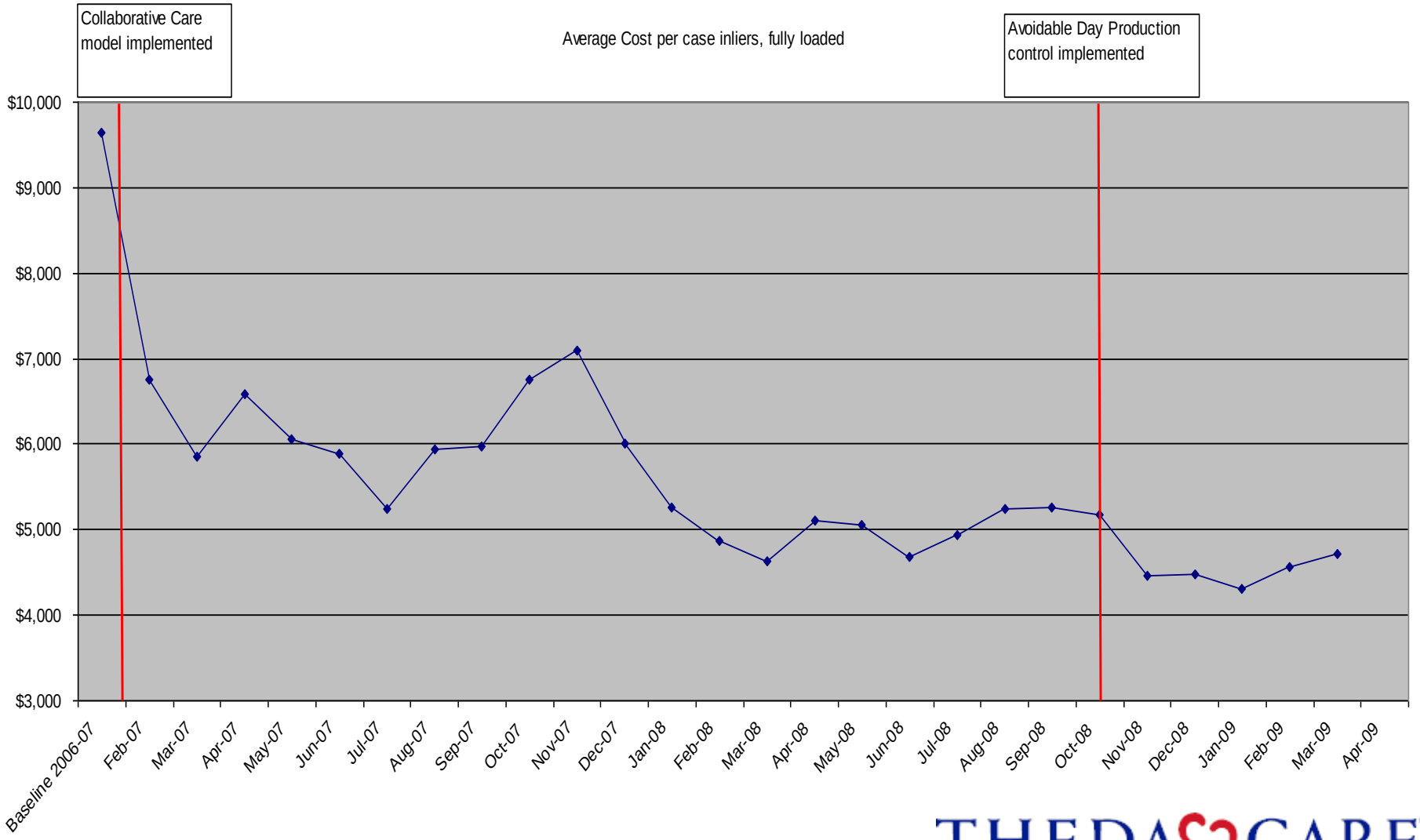
Cost per Case



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Collaborative Care Outcomes through 2010

Measure	Pre-Collaborative Care (2006)	End of 2007	End of 2008	2009	2010	Compares to non-Collaborative Care units thru 2009
Defect-Free Admission Medication Reconciliation	**1.05 defects per chart**	**0.01 defects per chart**	**0 defects**	**0 defects**	**0 defects**	**1.25 defects per chart without RPh**
Patient Satisfaction (number of patients rating care 5 out of 5)	**68%**	**87%**	**90%**	**86%**	**95%**	**Not captured for other units.**

•Financial Indicators represent a subset of the patients to demonstrate impact of the delivery model. Excluded from both baseline and pilot are**:** observation patients, ICU patients, and LOS >15 days. Pilot numbers includes**:** Admits from ED to Unit, or direct admits to unit. 2006 is updated baseline.
•Case mix was not significantly different between collaborative care and non-collaborative care
•Updated from**:** "Writing the new playbook for health care: lessons from Wisconsin," 2009, *Health Affairs*, 28, p.1348

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Collaborative Care Outcomes through 2010 (*Continued*)

Measure	Pre-Collaborative Care (2006)	End of 2007	End of 2008	2009	2010	Compares to non-Collaborative Care units thru 2009
Length of Stay* (In days)	3.51	2.92	3.09	3.05	2.91	3.5
30-day re-admission rate	No data	No data	13.98%	13.7%	12.9%	15.2% (2009) 14.7% * (2010)
Average Cost Per Case* (using Medicare RCC) and restated in current dollars	$6512	$5024	$6326	$5789	$5781	$7775

* This is all medical surgical unit re-admissions from a comparable non-collaborative care unit in the same hospital

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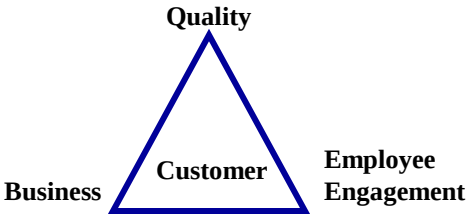

Confirmed State

Meeting target
Not meeting target

Data is for Isolated Coronary Artery Bypass Graft (CABG) Patients

	Measure	Initial (2007)	Society of Thoracic Surgeons (STS) "National Average" (2007)	Target	Achieved Aug-Jan Combined
Quality	(Decrease) Percent of Patients Experiencing Post-op Atrial Fibrillation	30%	21%	15%	**17%**
Quality	(Increase) Percent of Patients Off of the Ventilator in < 6 Hrs Post-op	27%	33%	54%	**66%**
Business	(Increase) Contribution Margin per Case	$6,900	NA	$9,100	**$9,999 (Aug '08 – Dec '08)**
Employee Engagement	(Increase) % of Open Heart Surgery Care Team Members Involved in Value-Stream Improvements (VS, RIE, Project, A4, Team Leader/Core Team Member)	0%	NA	100%	**77%**

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Community of Problem Solvers!

Tracking Board

Patient Flow Board

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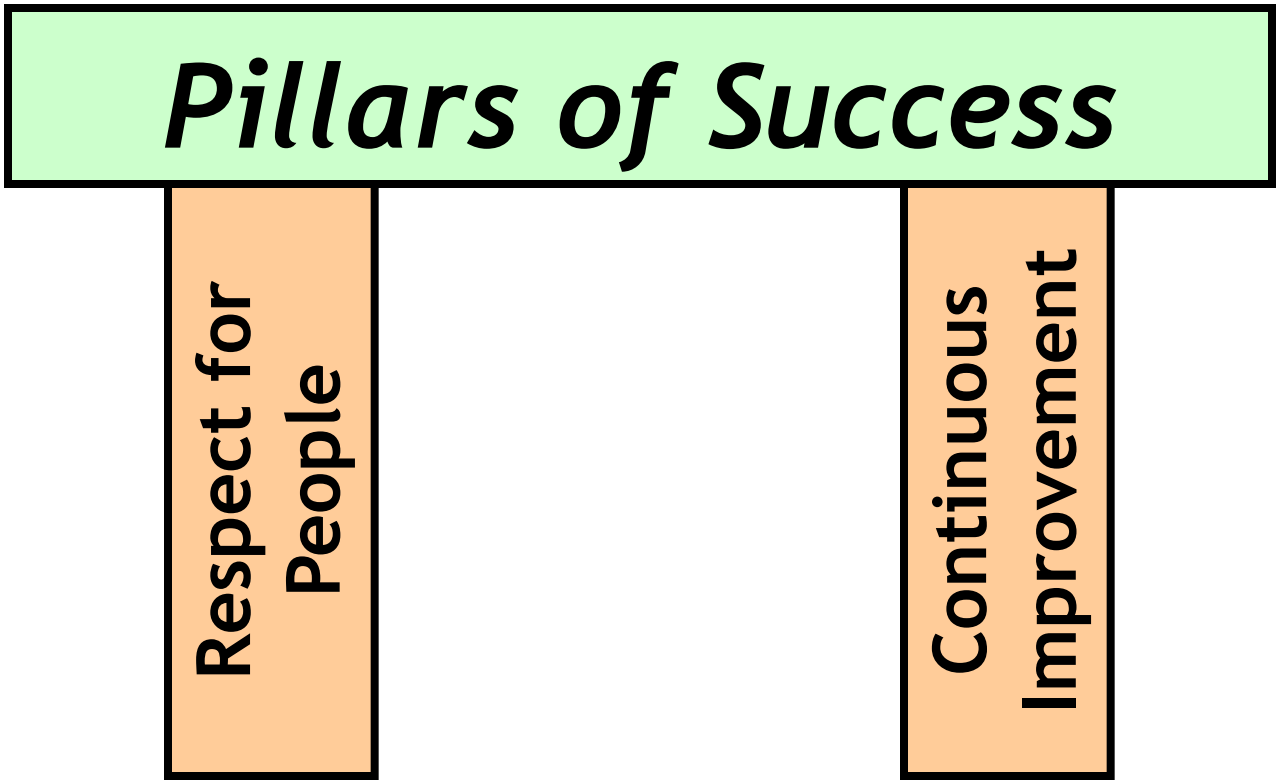
ThedaCare Improvement System



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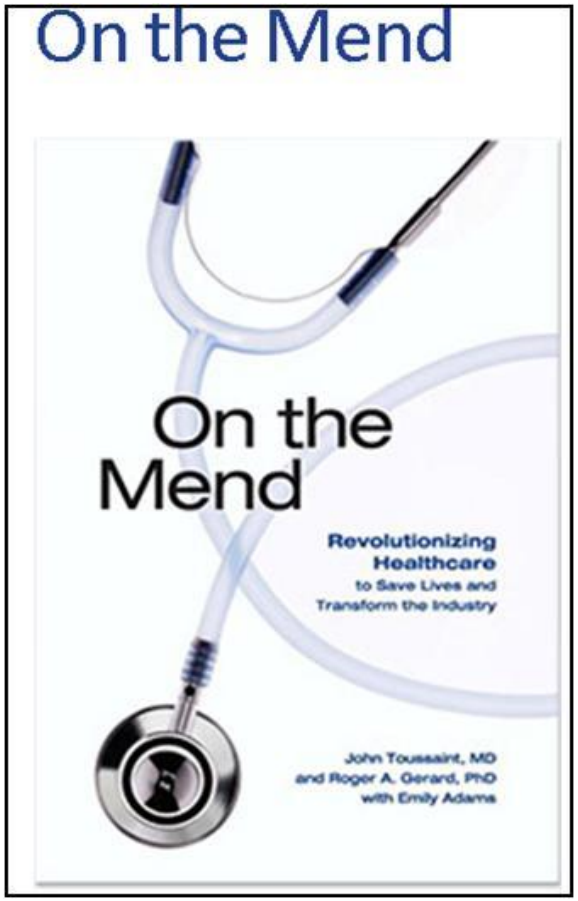
Further Lessons Learned

- Adopting lean means adopting a new way of leading.
- Involve customers wherever possible.
- Communicate early and often to line staff.
- Engage key stakeholders.
- Teach people to fish – don't just give them the fish (ask questions, don't give answers).
- Once you've implemented a change, you've only just begun (you're only at the 'D' in PDSA).
- Don't underestimate the pull of process to go back to their original state, regardless of how great the new process seems.

Action Plan – taking the next step

1. Identify the crisis.
2. Create a lean promotion office.
3. Find change agents.
4. Map your value streams.
5. Engage senior leaders early in strategy deployment.
6. Acquire and disperse knowledge broadly.
7. Teach a man to fish.
8. Involve suppliers in lead.
9. Restructure your organization into product families.



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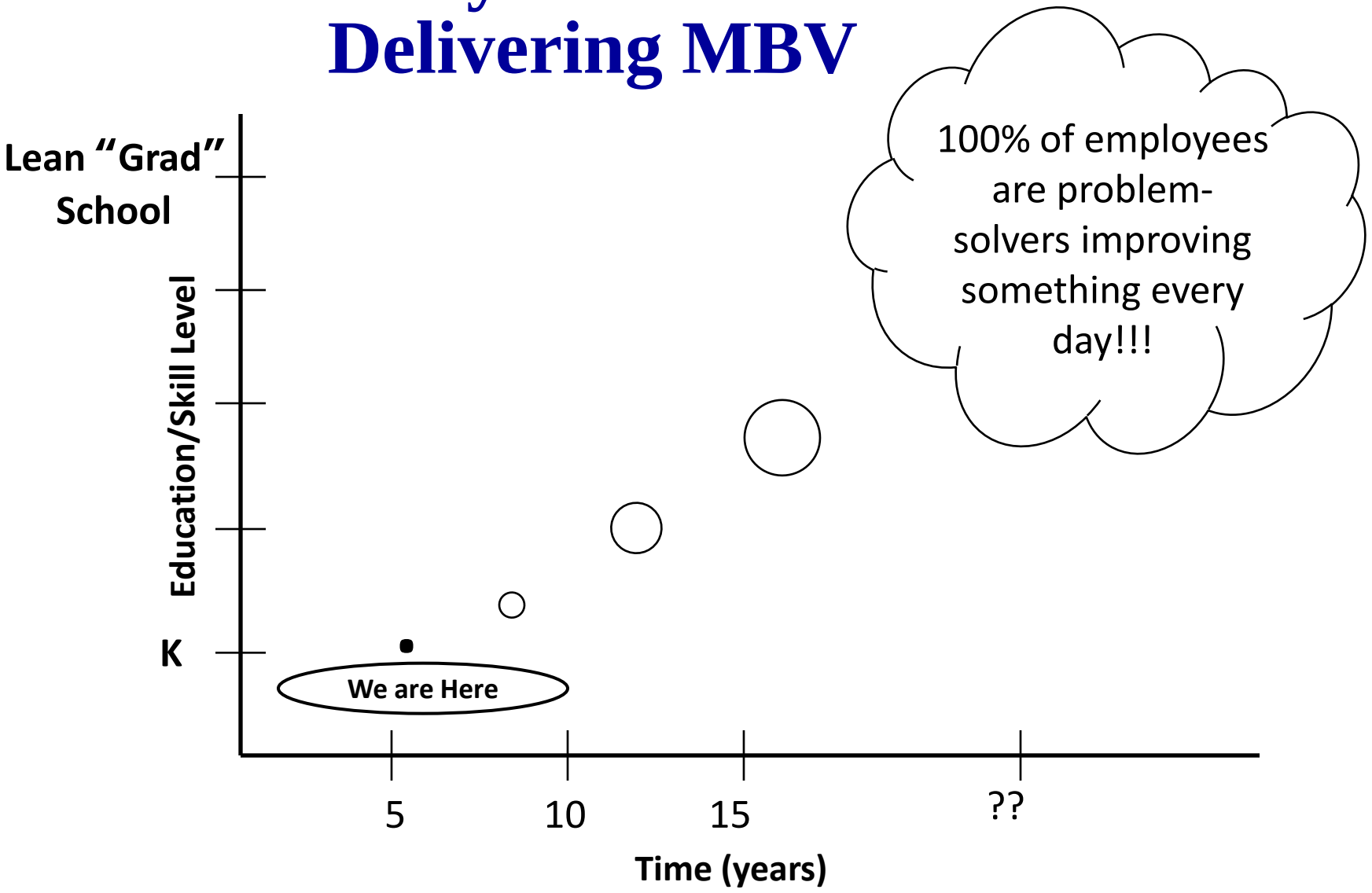
What are some things we're working on now?

- Continuing to implement a standard management system.
- Aligning Leadership structure under key business lines – Looking to improve the value streams around delivery, development, and support.
- VSA of Human Development (3rd pass) and working on the execution of that value stream action plan.
- Through using lean, reducing expenses by $60 million through 2015.
- Improve productivity 3% annually.
- Maintain expenses neutral year over year.
- Standard work: teaching, observing and coaching to SW.

A Community of Problem-Solvers Delivering MBV



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Questions?

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Resources

Lean Enterprise Institute:
www.lean.org

ThedaCare Center for Healthcare Value:
www.createhealthcarevalue.com

Healthcare Value Network:
www.healthcarevalueleaders.com

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